



# DEPARTMENT OF THE NAVY FY 2017 PRESIDENT'S BUDGET

February 9, 2016

**Mission Guidance**

**Operational Context**

**Fiscal Context**

**Balancing**

- Focused Investments
- Hard Choices
- Innovation and Reform

# *The Foundation – Guidance*

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## Protect the Homeland

- Maintain a safe, secure and effective nuclear deterrent
- Fight terrorism through counter-terrorism/irregular warfare operations
- Defend the homeland and provide support to civil authorities
- Counter weapons of mass destruction

## Build Security Globally

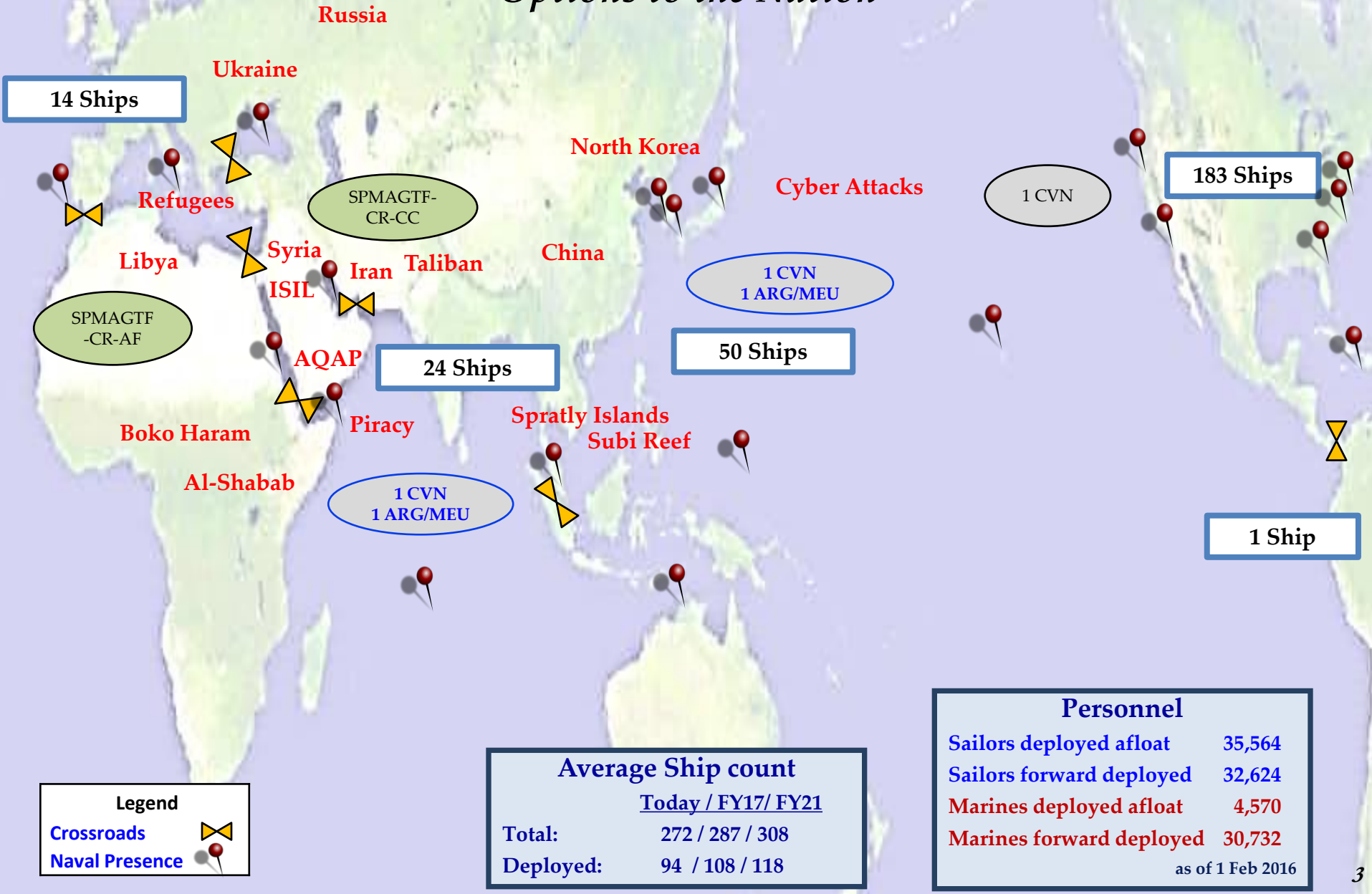
- Provide a stabilizing presence across the globe
- Conduct stability and counterinsurgency operations
- Conduct humanitarian, disaster relief and other operations

## Project Power and Win Decisively

- Deter and defeat aggression
- Project power despite anti-access/area denial challenges
- Operate effectively in space and cyberspace

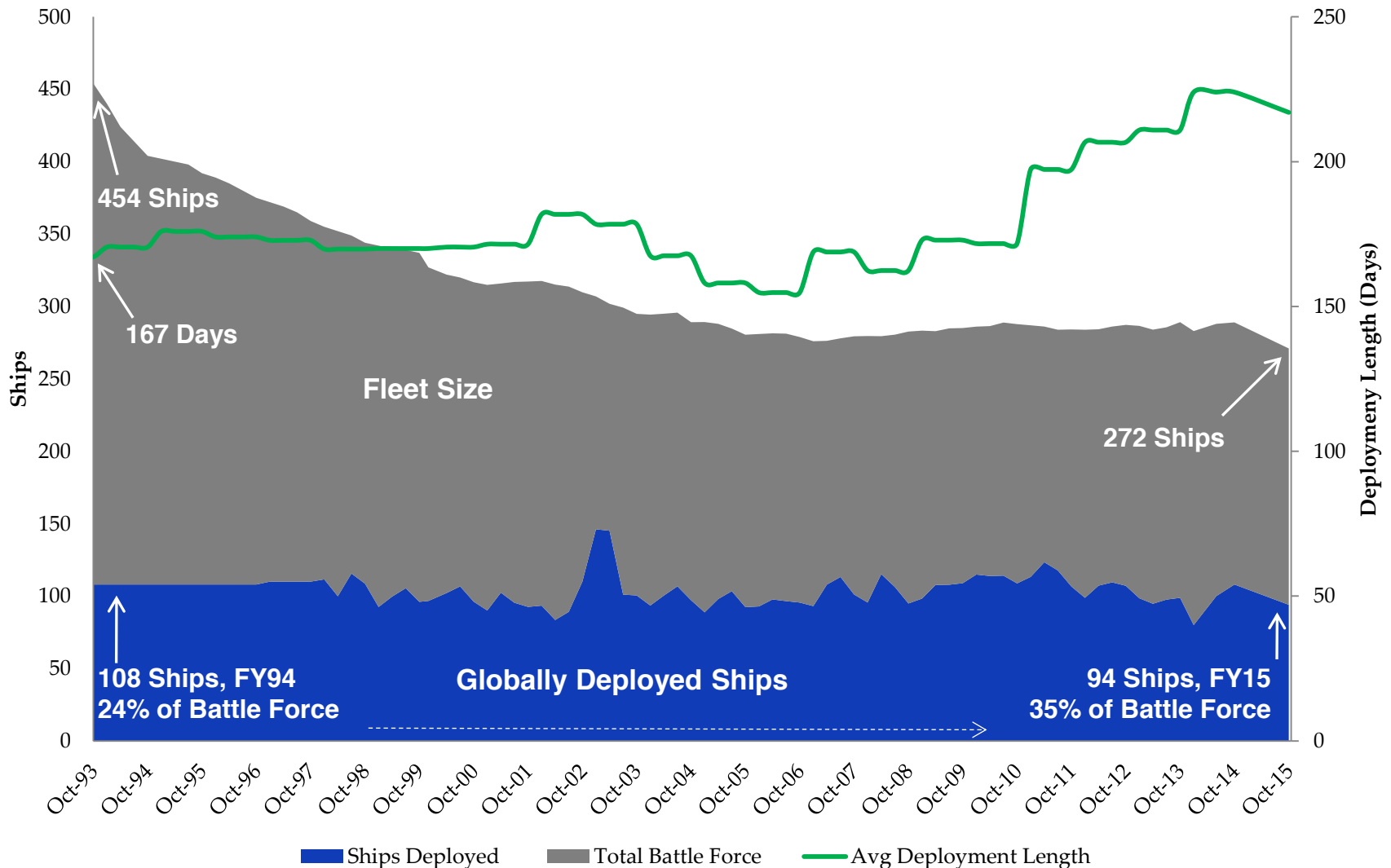
# Executing the Guidance – the Navy and Marine Corps Today

## Options to the Nation

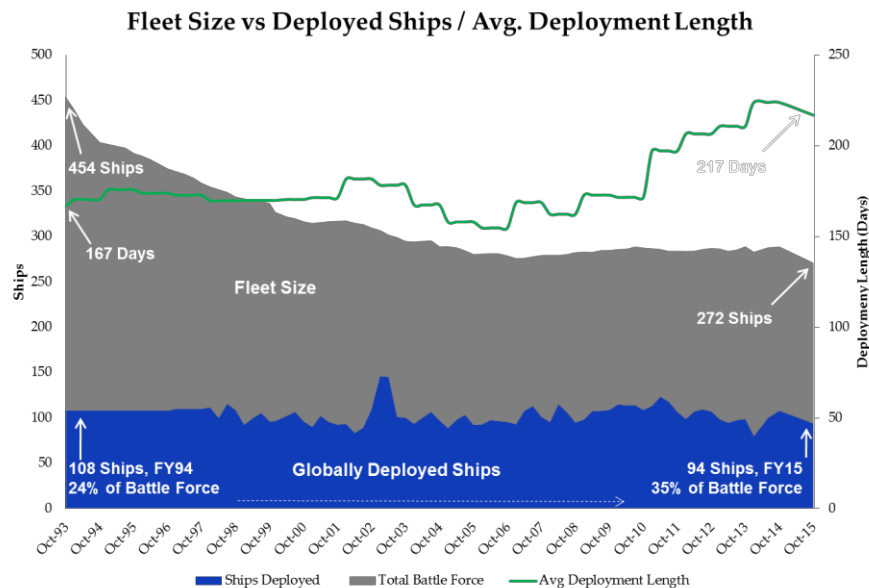


# Executing the Guidance – Operational Trends

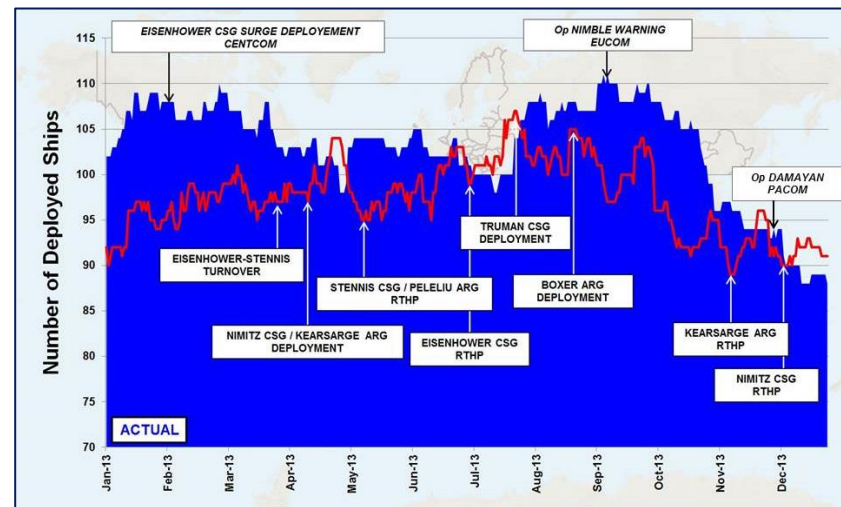
## Fleet Size vs Deployed Ships / Avg. Deployment Length



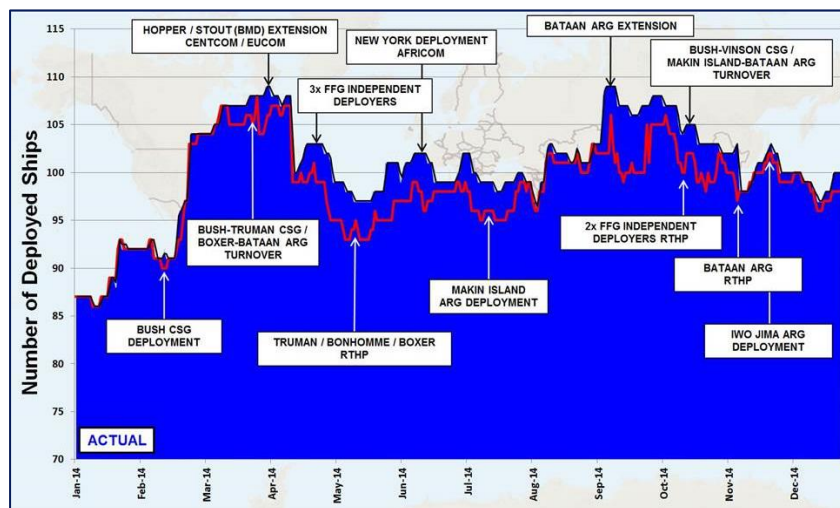
# Executing the Guidance – Operational Trends



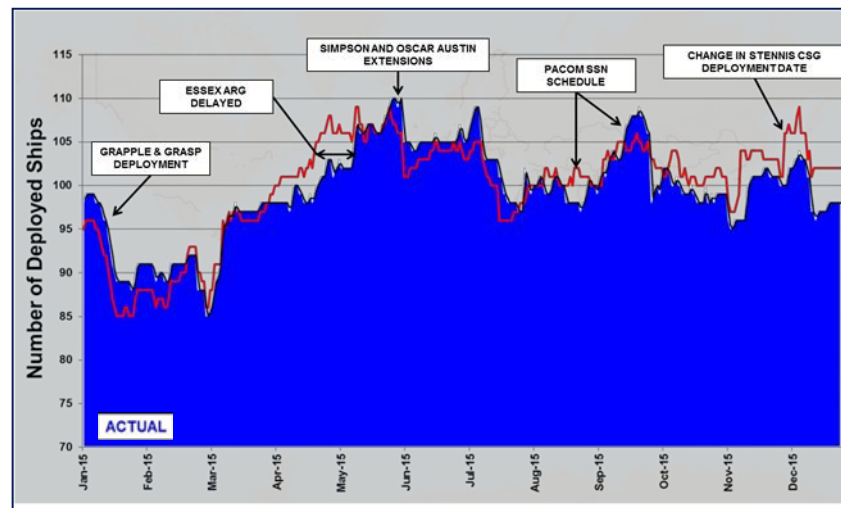
## CY 13 – Operational Employment



## CY 14 – Operational Employment



## CY 15 – Operational Employment



\*Planned deployments historically address 45% of COCOM demand

— Planned Deployments



# Executing the Guidance – An Evolving World



## Accelerating change

- Maritime System
- Global Information System
- Rate of Technological Creation and Adoption

Submarine  
Fiber Optic  
Cable

# *Executing the Guidance – An Evolving World*

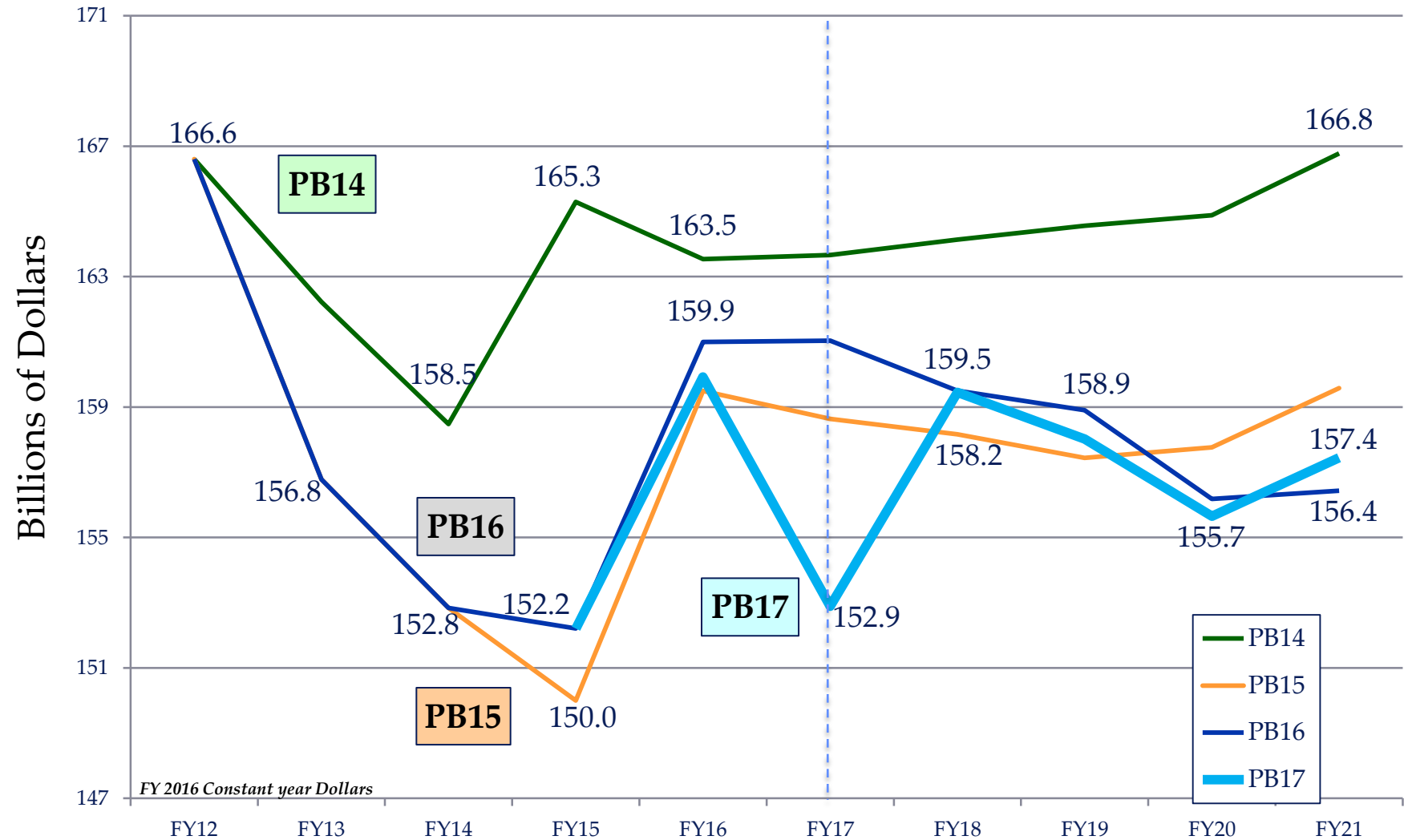
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# DON Annual Budget in CY\$ - Budget Trends

\$ in Billions	FY12	FY13	FY14	FY15	FY16	FY17
OCO Funding	16.4	11.5	14.2	10.3	9.4	9.5



# *Balancing Overview*

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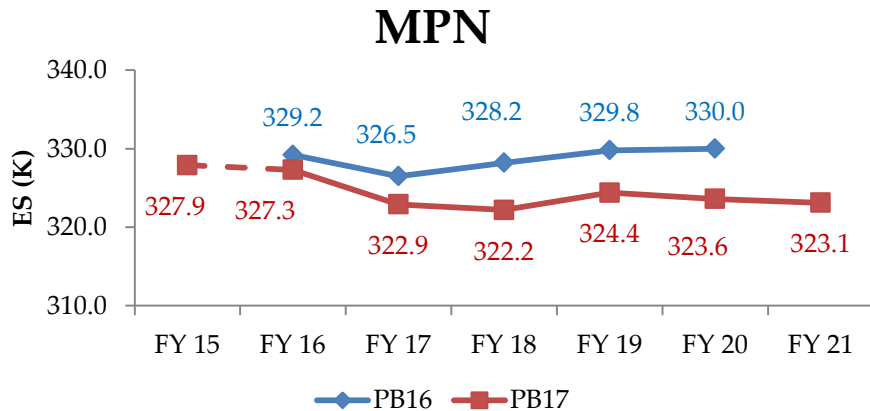


# Military Personnel - Navy

## Aligns with force structure

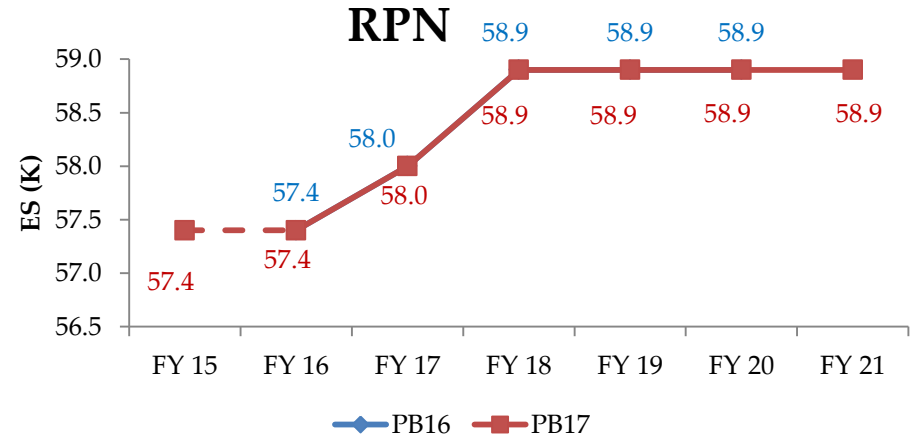
### Active Personnel Strength

- FY17 Active end strength 322.9K
  - Fit / Fill funded at 92% / 95%
- Sailor 2025 Ready, Relevant Learning funded
  - Active enlisted end strength reduced 6.6K across the FYDP
- Reflects deactivation of 10th air wing
- Funds HM wholeness; security forces



### Reserve Personnel Strength

- FY17 Reserve end strength 58.0K
- Retain HSC-85 and establish two Tactical Support Units



# Military Personnel – Marine Corps

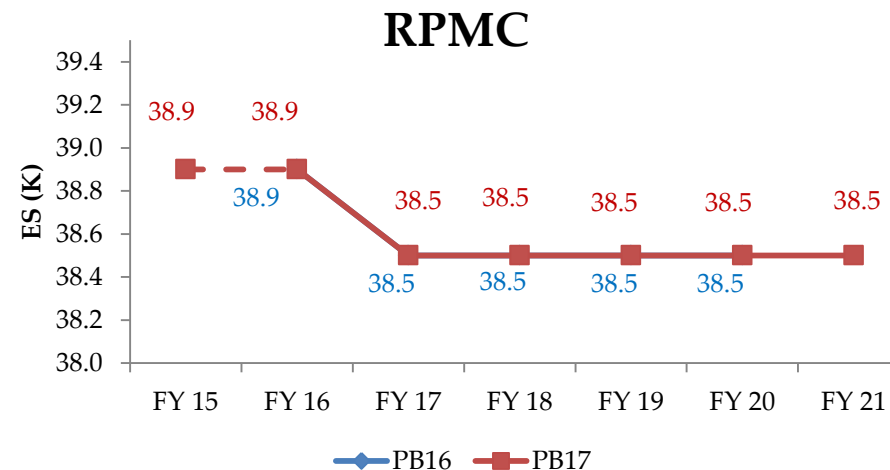
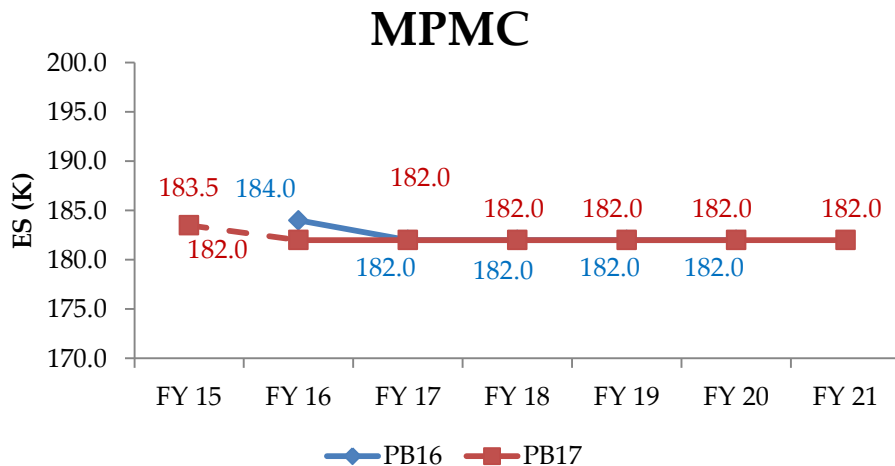
Focused on forward presence and crisis response

## Active Personnel Strength

- Achieves 182K one-year prior than PB16 end strength plan
- Funds to 182K Active End Strength across FYDP
- Strength meets steady state forward presence and crisis response requirements around the globe
- 1:2 deployment-to-dwell ratio
- Major combat operations will drive risk in Deter/Deny

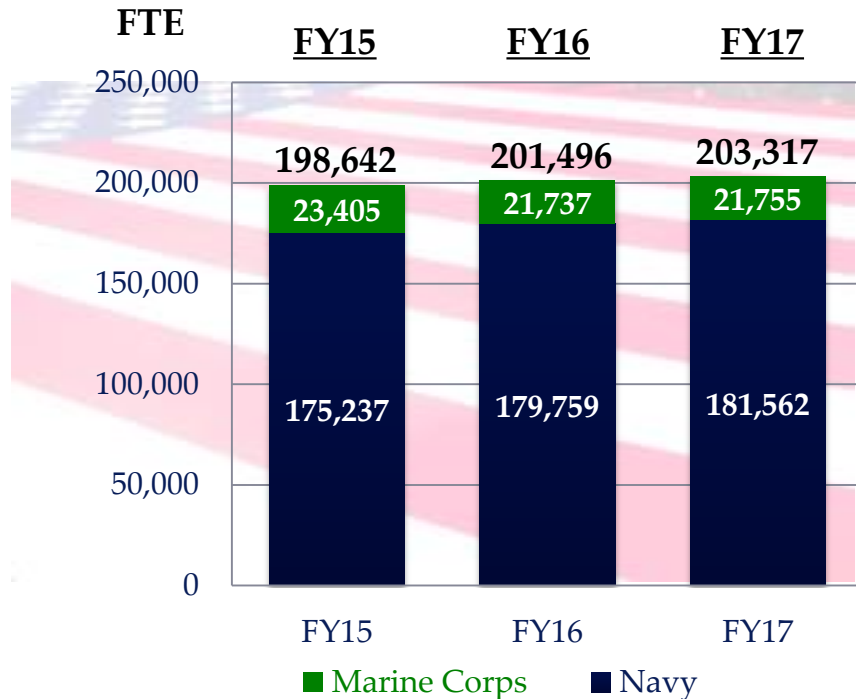
## Reserve Personnel Strength

- FY17 Reserve end strength 38.5K
- Ready, relevant, responsive force
- Seamlessly operates as a part of the total force





# Civilian Personnel

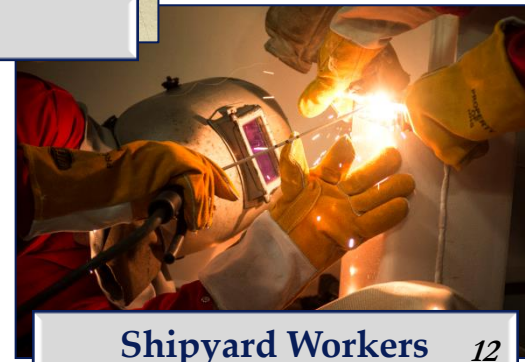


## Highlights

- Ship Maintenance: Growth at Regional Maintenance Centers, SURFMEPP, in Japan, and at public shipyards to address maintenance backlogs.
- NWCF: FTE added to address increased flight hours and corrosion issues on existing aircraft.
- Installation Security: Guards added to counter increased risk at installations.
- Headquarters: Previous reduction increased to 25 percent of funding; will be fully realized by FY20.
- Overall FYDP: Decline of 2,750 FTE from FY17 to FY21.



Scientists



Shipyard Workers

	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>
<i>FTE by Appropriation/Fund</i>			
O&M	116,076	118,230	120,409
Other (FHOPS/RDTEN)	1,532	1,787	1,783
WCF	81,034	81,479	81,125

**FYDP FTE\* Profile:**    FY17    FY18    FY19    FY20    FY21  
                                  203,317    201,818    201,503    200,982    200,567

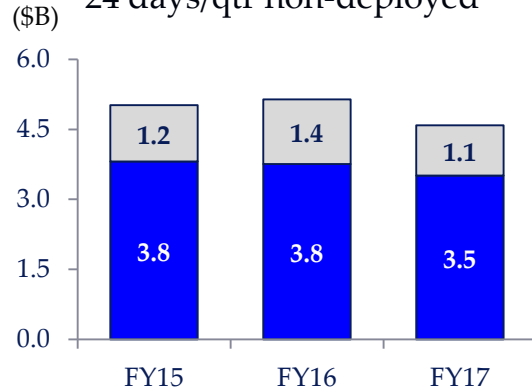
*\*FTE=Full Time Equivalent*

# Operations & Readiness

## Ship Operations

58 days/qtr deployed

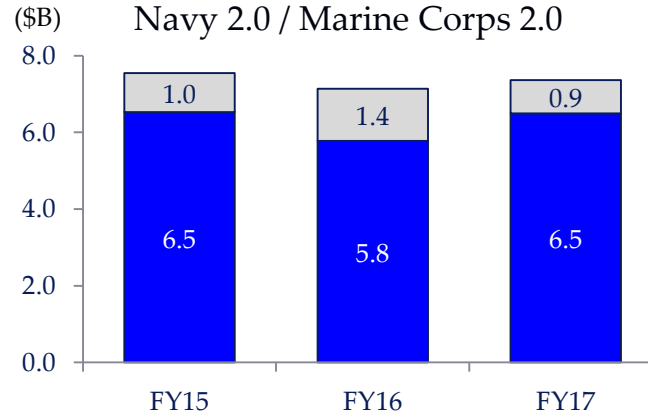
24 days/qtr non-deployed



## Flying Hour Operations

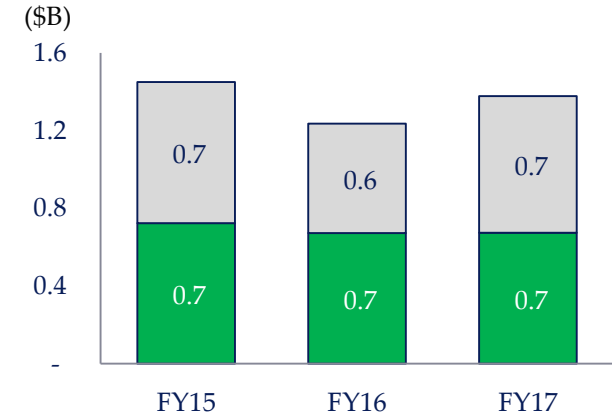
Deployed T-Rating

Navy 2.0 / Marine Corps 2.0



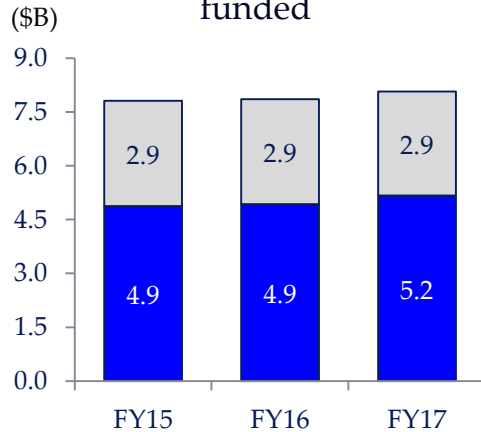
## Marine Corps Readiness

Operating Forces



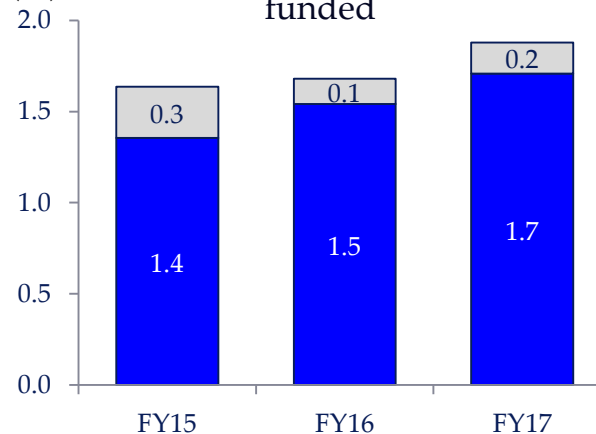
## Ship Depot Maintenance

100% of projected maintenance funded



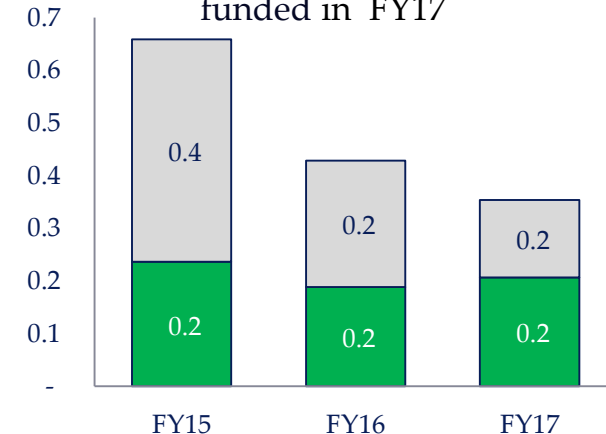
## Aircraft Depot Maint/Logistics

85% of projected maintenance funded



## Marine Corps Ground Equip

79% of maintenance funded in FY17



NAVY BASE OCO

MC BASE OCO

# Shipbuilding Procurement

	FY16	FY17	FY18	FY19	FY20	FY21	FYDP
Ohio Replacement Program	0	AP	AP	AP	AP	1	1
CVN-21	0	0	1	0	0	0	1
SSN-774	2	2	2	2	2	1	9
DDG 51	2	2	2	2	2	2	10
LCS/FF	3	2	1	1	1	2	7
LHA(R)	0	1	0	0	0	0	1
LPD 17	1	0	0	0	0	0	0
LX(R)	0	0	0	0	1	0	1
T-ATS	1	0	1	1	1	1	4
Expeditionary Fast Transport (EPF) (formerly JHSV)	1	0	0	0	0	0	0
Expeditionary Mobile Base (ESB) (formerly MLP AFSB)	1	0	0	0	0	0	0
T-AO(X)	1	0	1	1	1	1	4
New Construction Total QTY	12	7	8	7	8	8	38
LCAC SLEP	4	0	0	0	0	0	0
Ship to Shore Connector	4	2	6	10	12	12	42
LCU 1700	1	0	1	2	4	4	11
Moored Training Ships	0	1	0	0	0	0	1
CVN RCOH	1	0	0	0	1	0	1
Other Construction Total QTY	10	3	7	12	17	16	55
Total Shipbuilding QTY	22	10	15	19	25	24	93

FY16 enacted includes Congressional adds for T-ATS, JHSV (EPF), MLP AFSB (ESB), LCU 1700 and Congressional reduction of one Ship to Shore Connector.

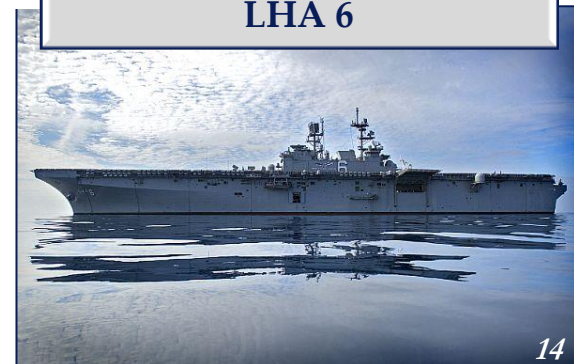
SSN 785



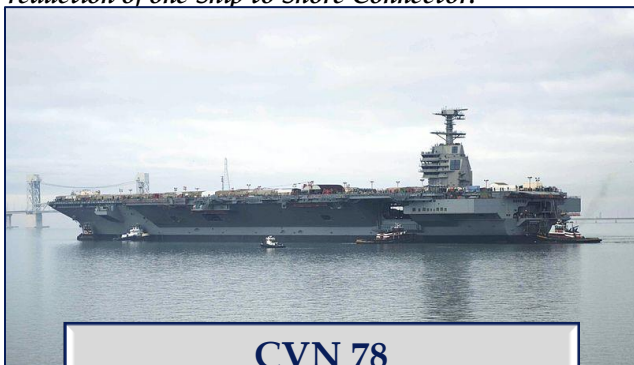
DDG 107



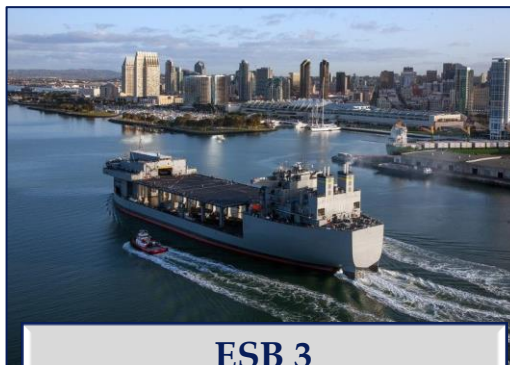
LHA 6



CVN 78



ESB 3



# Aircraft Procurement

**F-35C (CV JSF)**



**E-2D Hawkeye**



**MQ-8C Fire Scout**



**AH-1Z**



**MV-22B Osprey**



**CH-53K King Stallion**



**P-8A Poseidon**



	FY16	FY17	FY18	FY19	FY20	FY21	FYDP
<b>Fixed Wing</b>							
F-35C (CV)	6	4	6	12	18	24	64
F-35B (STOVL)	15	16	20	20	20	21	97
EA-18G**	10	0	0	0	0	0	0
FA-18E/F***	5	2	14	0	0	0	16
E-2D AHE	5	6	5	3	4	5	23
P-8A (MMA)**	17	11	6	13	0	0	30
UC-12W (USMC)	1	0	0	0	0	0	0
KC-130J	2	2	2	2	2	2	10
<b>Rotary Wing</b>							
CH-53K (HLR)	0	2	4	7	13	14	40
MV-22B*	19	16	6	6	6	14	48
MH-60R	29	0	0	0	0	0	0
AH-1Z/UH-1Y	29	24	27	27	0	0	78
VH-92A	0	0	0	6	6	5	17
<b>UAV</b>							
MQ-4 Triton	4	2	3	3	5	6	19
MQ-8C Fire Scout	5	1	2	2	2	2	9
RQ-21A Blackjack***	6	8	4	5	5	3	25
<b>TOTAL</b>	<b>153</b>	<b>94</b>	<b>99</b>	<b>106</b>	<b>81</b>	<b>96</b>	<b>476</b>

\*FY 2018-2021 includes 6 V-22 per year for the Navy.

\*\*FY 2016 reflects A-12 settlement for 3 EA-18G and plan to procure 1 additional P-8A (MMA).

\*\*\*FY 2017 includes 2 F/A-18 and 4 RQ-21 requested in the OCO request.



# Weapons Procurement

**MK-54**



**SM-6**



## Aircraft Weapons

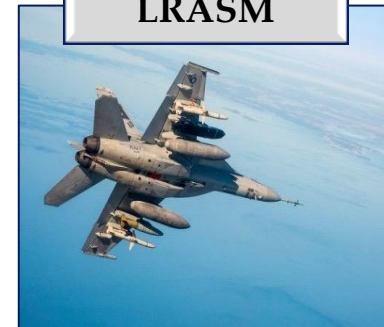
	FY16	FY17	FY18	FY19	FY20	FY21	FYDP
AIM-9X	227	152	150	153	153	150	758
AMRAAM	167	163	247	260	252	248	1,170
AARGM	155	253	336	322	183	197	1,291
LRASM	0	10	25	25	0	0	60
JAGM	0	96	104	110	110	221	641
HELLFIRE*	0	100	0	0	0	0	100
SDB II	0	0	90	750	750	750	2,340

## Ship Weapons

	FY16	FY17	FY18	FY19	FY20	FY21	FYDP
TACTOM	149	100	0	0	0	0	100
SM6	113	125	125	125	125	125	625
RAM	90	90	90	90	90	90	450
ESSM	30	75	28	52	46	56	257
MK 48 HWT	8	11	15	24	33	40	123
MK 48 HWT MODS	81	73	64	50	43	52	282
MK 54 LWT MODS	140	144	167	174	170	130	785
SOPGM	27	24	24	24	24	24	120
LCS SSMM	0	24	110	110	110	110	464

\* OCO funding for FY 2017.

**LRASM**



**TACTOM**



**ESSM**



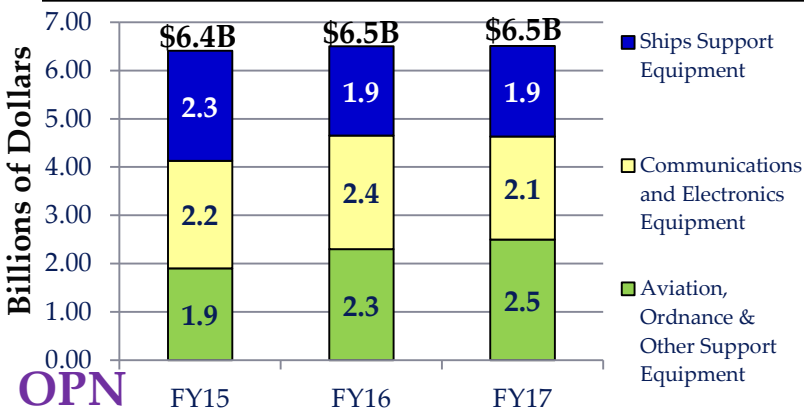
**AIM-9X**



**Tomahawk Maritime Strike**

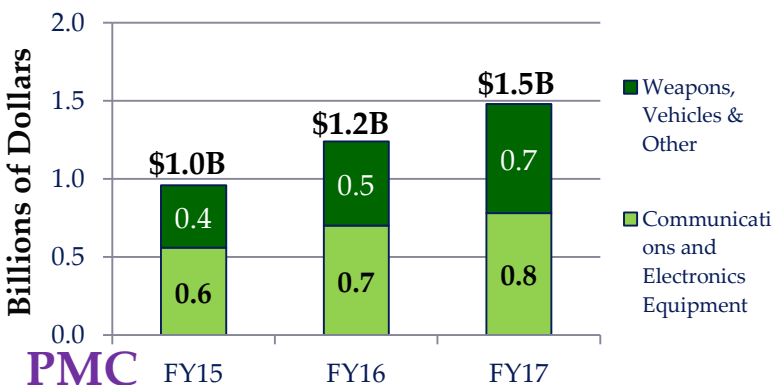


# Additional Investment



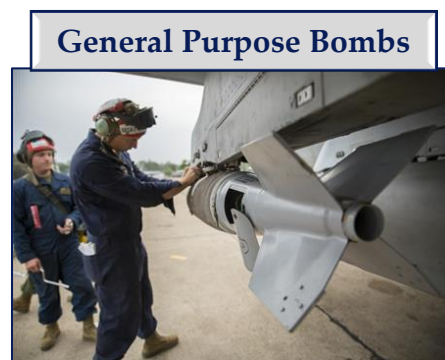
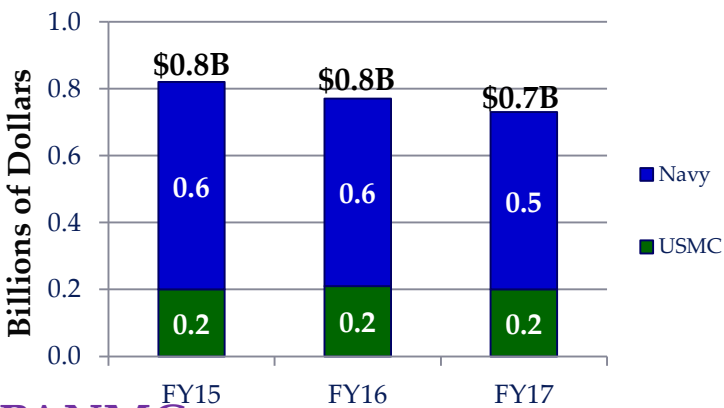
## Key OPN Capability Enhancements

- CYBER and the EM Spectrum
- Ship Capabilities
- Submarine & Underwater Capabilities



## Key PMC Capability Enhancements

- Joint Light Tactical Vehicle (JLTV)
- Ground/Air Task Oriented Radar (G/ATOR)
- Common Aviation Command and Control System (CAC2S)

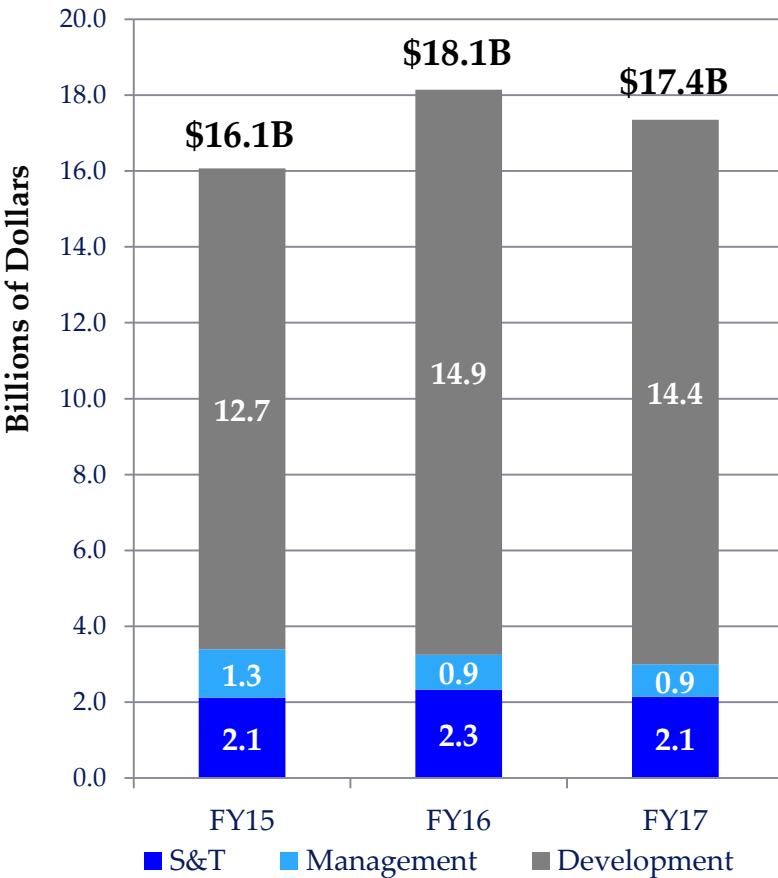


## Key PANMC Capability Enhancements

- General Purpose Bombs
- Air Expendable Countermeasures
- Active Jammers, IR Decoys

Funding reflects Baseline + OCO

# R&D Investment



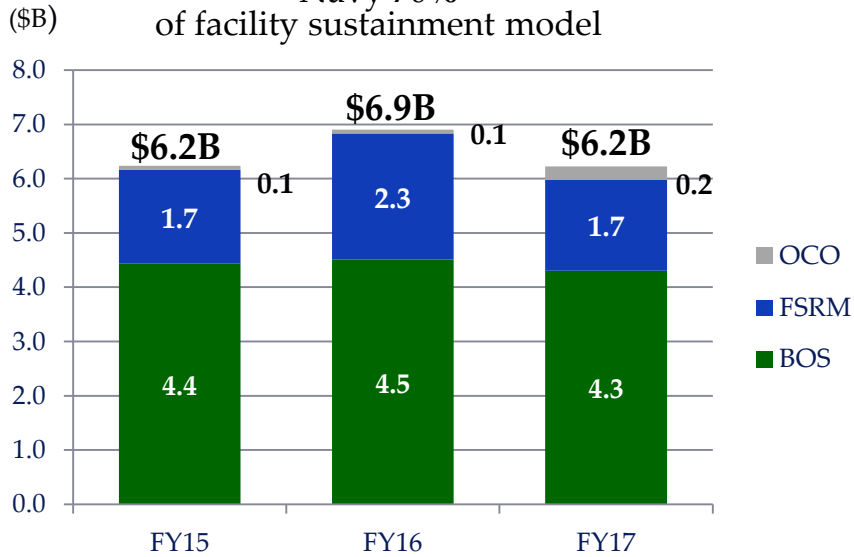
Major Systems (\$M)	FY15	FY16	FY17
<b>Shipbuilding</b>			
Ohio Replacement Program	1,203	1,391	1,091
Virginia Class SSN	189	317	209
CVN 78	236	225	223
Surface Ship Torpedo Defense	57	71	87
<b>Aviation</b>			
Joint Strike Fighter (F-35)	995	1,085	1,198
CH-53K	538	592	405
Executive Helo Development	357	507	338
<b>Unmanned</b>			
MQ-4C Triton	449	357	293
UCLASS	382	435	0
CBARS (RAQ-25)	0	0	89
MQ-8	43	53	27
XL/LD Unmanned Undersea Veh	11	12	146
<b>USMC</b>			
Amphibious Combat Vehicle	101	212	159
G/ATOR	91	66	84
<b>Other</b>			
Rapid Prototyping	0	0	55
Energy	245	231	328
Cyber Resiliency	0	55	88



# Shore Readiness

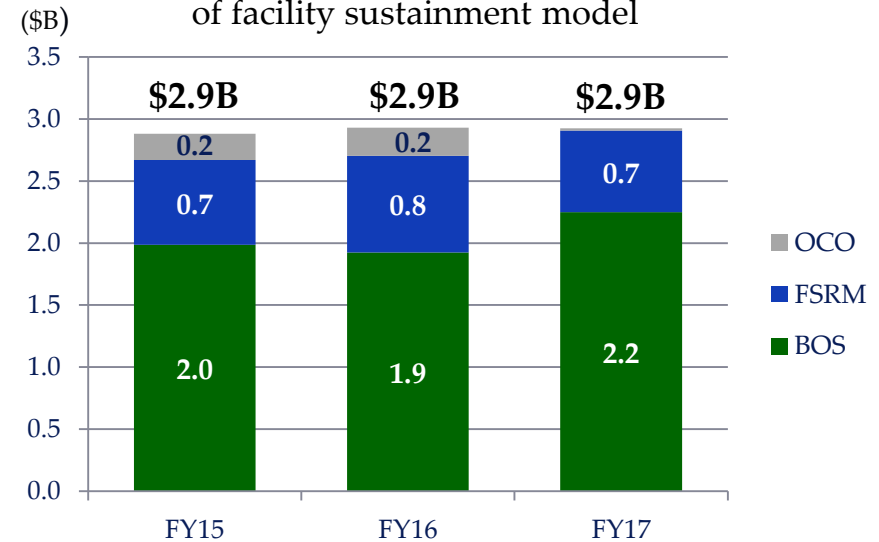
## Facilities Support

Navy 70%  
of facility sustainment model



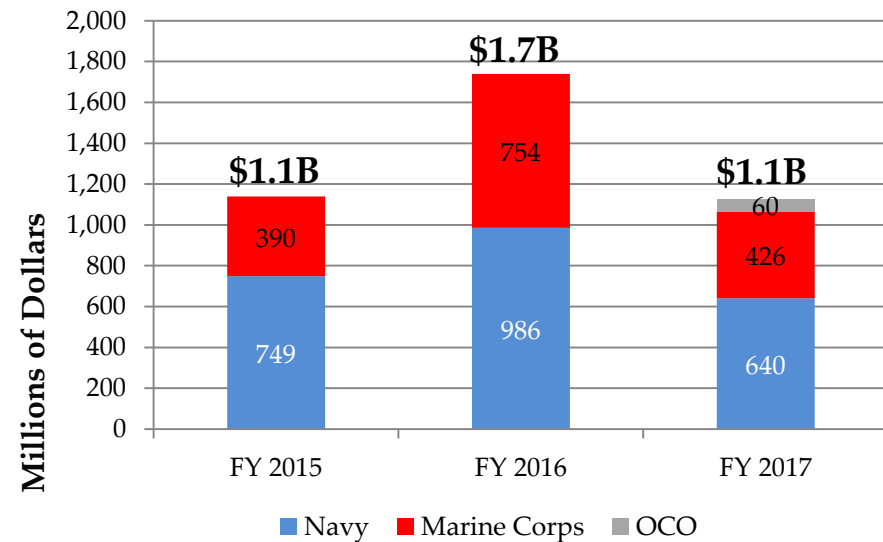
## Facilities Support

USMC 74%  
of facility sustainment model





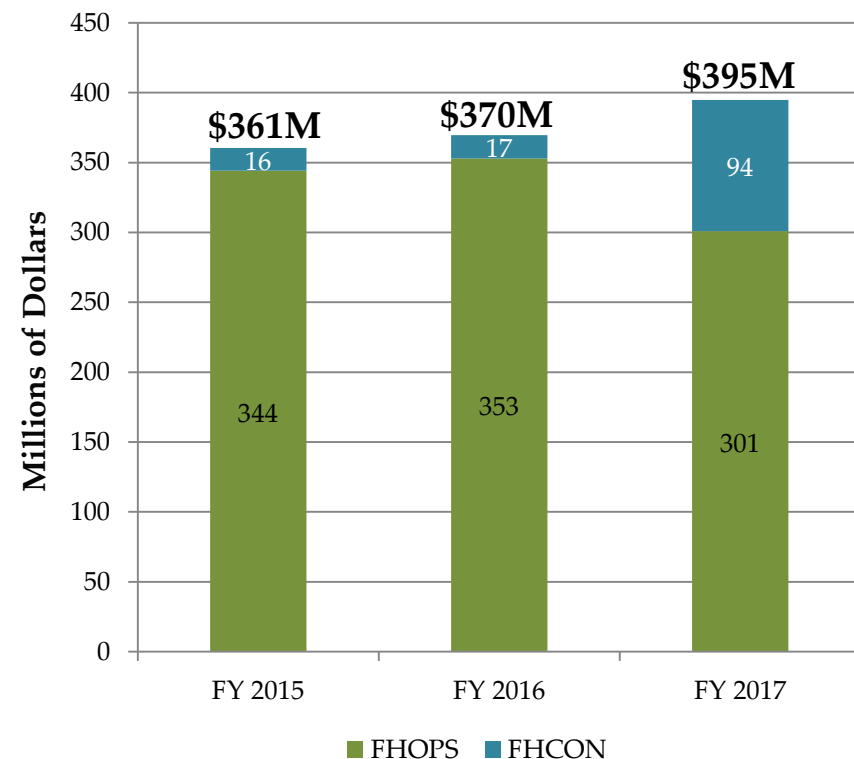
# Military Construction & Family Housing



FY17 MILCON Projects		
Major Categories	\$ in Millions	# of Projects
New Platform/Mission Support	357	9
COCOM Support	176	6*
Energy	85	4
Ground Forces	73	1
Guam	62	1
Naval Shipyards	58	3*
Quality of Life	48	2
Training	39	2
Reserves	35	4
Environmental	13	1
Planning and Design	92	N/A
Unspecified Minor Construction	30	N/A
OCO	60	3**

\*Includes Energy project

\*\*Includes European Reassurance Initiative (ERI)





# For more Information

Fully searchable justification material available at:  
<http://www.secnav.navy.mil/fmc/fmb/Pages/Fiscal-Year-2017.aspx>



DEPARTMENT OF THE NAVY  
Budget Materials

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## DEPARTMENT OF THE NAVY SUMMARY

FY 17 Budget Press Brief  
FY 17 Budget Overview  
FY 17 Budget Card  
FY 17 Data Book  
Budget Highlights Book  
Supporting Exhibits  
The Bottom Line  
External Defense Links

## MILITARY PERSONNEL PROGRAMS

Military Personnel, Navy  
Military Personnel, Marine Corps  
Reserve Personnel, Navy  
Reserve Personnel, Marine Corps

## OPERATION & MAINTENANCE PROGRAMS

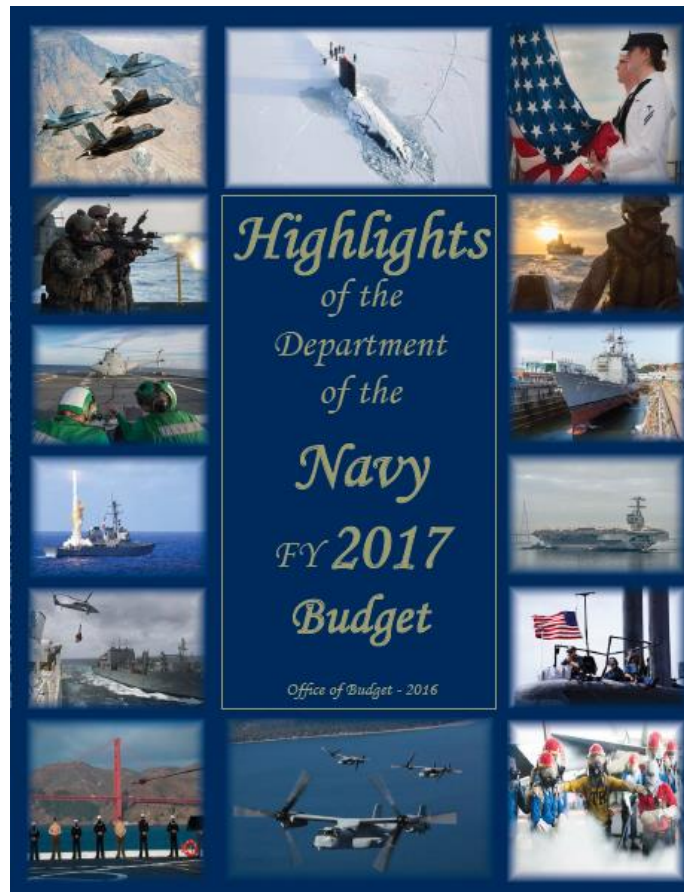
Operation & Maintenance, Navy  
Operation & Maintenance, Navy Databook  
Operation & Maintenance, Marine Corps  
Operation & Maintenance, Marine Corps Databook  
Operation & Maintenance, Navy Reserve  
Operation & Maintenance, Marine Corps Reserve

## NAVY WORKING CAPITAL FUND

Navy Working Capital Fund

## OVERSEAS CONTINGENCY OPERATIONS

FY 2017 Overseas Contingency Operations Request



## PROCUREMENT PROGRAMS

Weapons Procurement, Navy  
Shipbuilding and Conversion, Navy  
Procurement Marine Corps

### Aircraft Procurement Programs

Aircraft Procurement, Navy (BA 1 - 4)  
Aircraft Procurement, Navy (BA 5)  
Aircraft Procurement, Navy (BA 6)  
Aircraft Procurement, Navy (BA 7)

### Other Procurement Programs

Other Procurement, Navy (BA 1)  
Other Procurement, Navy (BA 2)  
Other Procurement, Navy (BA 3)  
Other Procurement, Navy (BA 4)  
Other Procurement, Navy (BA 5 - 8)

### Procurement of Ammunition, Navy and Marine Corps

Procurement of Ammunition, Navy & Marine Corps (Vol 1)  
Procurement of Ammunition, Navy & Marine Corps (Vol 2)

## CONSTRUCTION PROGRAMS

Base Realignment and Closure, IV & V  
Military Construction & Family Housing Programs  
Military Construction, Navy & Marine Corps Reserve Programs

## RESEARCH & DEVELOPMENT PROGRAM

Research & Development, Navy (BA 1 - 3)  
Research & Development, Navy (BA 4)  
Research & Development, Navy (BA 5)  
Research & Development, Navy (BA 6)  
Research & Development, Navy (BA 7)

